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Governor

Robert D. Vance, Secretary
Environmental and Public
Protection Cabinet

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Commonwealth of Kentucky
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Mark David Goss
Chairman

John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

December 28, 2007

PARTIES OF RECORD:

RE: Case No. 2007-00369
THE ANNUAL COST RECOVERY FILING FOR DEMAND SIDE MANAGEMENT
BY DUKE ENERGY KENTUCKY, INC.

Enclosed please find a memorandum that has been filed in the record of the above-referenced case. Any comments regarding this memorandum's content should be submitted to the Commission within five days of receipt of this letter. Questions regarding this memorandum should be directed to Jorge Valladares at (502) 564-3940, extension 424.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: File: Case No. 2007-00369

FROM: Jorge Valladares, Team Leader

DATE: December 18, 2007

RE: Duke Energy Kentucky's Annual Cost Recovery Filing for Demand Side Management

Pursuant to a request by Duke Energy Kentucky ("Duke Kentucky"), an informal conference was held on December 18, 2007 at the Commission's offices in Frankfort, Kentucky. The conference was requested by Duke Kentucky to review its annual demand-side management filing, answer questions regarding its application and to provide the parties an opportunity to discuss the procedural schedule for the proceeding. The Office of the Attorney General ("AG") is the only intervenor in the case. An attendance list is attached hereto.

Staff members directed questions to Duke Kentucky which were addressed by the representatives of the company during the conference. The AG's representative mentioned that the AG had filed a data request to Duke Kentucky and noted that the request contained 80 questions.

Duke Kentucky asked whether any aspect of the filing required clarification. Staff requested clarification on the Residential Conservation and Energy Education Program as to the description of tier service and the determination of incentive payments to customers. Duke Energy explained that these determinations are made with the assistance of a contractor and explained where the information could be found by staff.

There being no other questions from any party, the informal conference was adjourned, with the promise that the Commission would issue a Procedural Order in due course.

cc: Parties of Record

Attachment: Sign-In Sheet

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ANNUAL COST RECOVERY FILING)
FOR DEMAND SIDE MANAGEMENT BY) CASE NO. 2007-00369
DUKE ENERGY KENTUCKY, INC.)

=====
December 18, 2007 Informal Conference
=====

Please sign in:

NAME

REPRESENTING

Quang Nguyen

PSC - Legal

George Valladao

PSC - FA

James J. Lewis

PSC - Financial Analysis

John Shypps

PSC - Engineering

Paul Adams

AG's Staff

Pam Chapman

Duke Energy Kentucky

Richard Stevens

Duke Energy Kentucky

John Stricker

Duke Energy Kentucky
